DOCUMENT RESUME

ED 341 151 EA 023 637

AUTHOR Flanigan, J. L.; Richardson, M. D.
TITLE Deregulated Schools: A Research Study.
PUB DATE Aug 91
NOTE 25p.; Paper presented at the Annual Meeting of the National Conference of Professors of Educational Administration (45th, Fargo, ND, August 11-16, 1991).
PUB TYPE Reports - Research/Technical (143) -- Speeches/Conference Papers (150)

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS *Administrator Attitudes; *Educational Innovation; Elementary Secondary Education; Public Schools; *School Effectiveness; *School Organization; *School Restructuring
IDENTIFIERS *South Carolina

ABSTRACT

As the decade of the 1990s began, there was uncertainty concerning the educational reforms attempted in the 1980s. This paper focuses on how deregulated schools in South Carolina reacted to the opportunity to create new programs to meet the needs of the community and students. Research indicates there is an improvement in the teachers' working conditions but no corresponding increase in student achievement. South Carolina's answer to this and other concerns was the passage of the "Flexibility Through Deregulation Program" where the legislature encourages productive and successful schools to initiate new and innovative ideas and programs to meet student needs. An overview of the goals and key provisions is given, focusing on deregulation and its implications. A discussion on the search for determining the most efficient and effective means to operate public schools raises issues such as administrator accountability in school deregulation, allocation of authority, and educational equity. Detailed is deregulation South Carolina style, citing examples of changes in regulatory practice. A summary of research profiles the changes and effects deregulation has on school programs. Findings include that the most significant factor that motivated schools to become deregulated was the desire to improve student learning. Types of changes are illustrated. (17 references) (RR)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED341151

DEREGULATED SCHOOLS:

A RESEARCH STUDY

J. L. FLANIGAN
M. D. RICHARDSON

A paper prepared for presentation at the annual meeting of the **National Council of Professors of Educational Administration** in Fargo, ND, August 11-16, 1991.

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☑ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

M. Richardson

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

Jack Flanigan is Associate Professor and Coordinator of Educational Administration, **Mike Richardson** is Associate Professor of Educational Administration, both at **Clemson University**, Clemson, SC 29634 (803-656-3482).

EA023637

BEST COPY AVAILABLE

DEREGULATED SCHOOLS:

A RESEARCH STUDY

ABSTRACT

The 1980s were characterized as the decade of educational reform as state after state attempted to improve educational opportunities for children through massive reform. Almost every national education group issued a report on how to accomplish the desired reforms. Significant individuals and corporate leaders became involved in the reform movement, many publicly advocating reform, while others worked subtly behind the scenes to impact the changes essential to reshaping American public education. However, as the decade of the 1990s began, there was obvious uncertainty concerning the effectiveness of the educational reforms. Across the nation school systems are losing in their efforts to raise monies locally because people are reluctant to give more money without evidence of success. States are continuing to increase their share of education appropriations, but with what result? For example, South Carolina passed the massive Educational Improvement Act of 1984, but in 1990 the state was still fiftieth in SAT test scores.

This research examines the perceptions of administrators in deregulated schools. The research focuses on how the deregulated schools react to the opportunity to creatively innovate new programs to meet the needs of the community and students. Research on school deregulation does not exist in South Carolina or the nation, because South Carolina schools are in the forefront of this revolutionary concept.

Decentralized and innovative programs are necessary to create and maintain productive schools for the young people of this state and country. Those young people deserve no less than our best, but cannot be their best when we do not have the research base on which to evaluate such programs and develop modifications as needed.

BACKGROUND

National studies of teachers indicate they are more unhappy with their careers than five years ago. They perceive an inability to impact the environment in which they work, and believe they are not allowed to teach effectively. Such new concepts as site-based management, teacher empowerment, participatory decision-making and Japanese management have all been advocated as a remedy to the teacher's dilemma, but research indicates that although these changes may improve the teacher's working conditions, there is no corresponding increase in student achievement. Successful schools have a clear, simple mission centered on

improving student performance and attitudes which is directed by an effective principal.

South Carolina's answer to these concerns was the passage of the "Flexibility Through Deregulation Program." Education in South Carolina has several generations of experience in centralized, bureaucratic decision-making, but little experience in decentralized, innovative, site-based decision making. The intended purpose of the "Flexibility Through Deregulation Program" was to establish a procedure to stimulate innovation and creativity in South Carolina public elementary and secondary schools. The statute provides exemptions from state regulations and oversight to those schools which demonstrate sustained improvement. The basic intent of this legislation was to encourage productive and successful schools to initiate new and innovative ideas and programs to meet student needs.

INTRODUCTION

South Carolina includes in its educational reform movement the "Flexibility Through Deregulation Program," part of a legislative act that has become known formally as "Target 2000 - School Reform for the Next Decade" and informally as "Son of EIA". When Governor Carroll Campbell signed this piece of legislation into law, on Tuesday June 20, 1989, he described the Target 2000 legislation as "reaffirming the commitment the state has to the continuing

improvement of public education in the state of South Carolina." Governor Campbell said that "I think its a tremendous step forward" (Strong, 1989).

The legislation in Target 2000 contained some key provisions including:

1. Targeting at-risk youth by establishing a dropout prevention program. The goal is to reduce the state's school dropout rate by 50%.
2. Proposal to encourage students to think more analytically and support of innovation by teachers.
3. Calling for a greater role for arts education support, funding for remedial and compensatory programs and stressing the need for early childhood development program.
4. Allowing school districts flexibility in adhering to state regulations such as class size, scheduling, student-teacher ratios, and curriculum.

The legislation in Target 2000 was referred to as a follow up to the 1984 South Carolina Education Improvement Act. Using an analysis developed by Odden (1985) as it related to the actual cost of specific education reform, Flanigan and others (1989) examined all fifty state financial reform programs and found that South Carolina was the only state to increase fiscal resources to meet Odden's measure of adequacy which he set at 20% increase of actual resources appropriated during the first year of implementing the reform package.

With a history of success in education reform, the drafters of the Flexibility Through Deregulations Program would have had to look at what was

the intent and why the general assembly moved to remove regulation which had in most cases appeared to have been successful. But if one begins to review the literature on deregulation, it is necessary to find an approach that allocated decision-making authority about education among the various interested parties necessary to shape the nature of decision making and the effectiveness of their implementation (Swanson, 1989).

South Carolina is beginning a radical change in determining who will make decisions relating to local school regulation. Does the impetus for the change of direction originate at the federal, state, or grass roots level? John F. Jenning, counsel to the House Education and Labor Committee predicts that the president will propose for "FY 1991 a deregulation bill waving federal program requirements" for school districts that meet the required conditions. Jenning says he believes the keystone of Bush's 1991 budget will be "to remove all strings if there's accountability" (Penning, 1990).

The lack of regulation normally appeals to school administrators, but the first question any veteran administrator asks is "what's the trade off?" Jenning believes schools will pay a high price for this new-found direction when the federal government sets standards to measure accountability. Jenning envisions a debate this year on the merits of standardized tests, the need to set national standards, and whether states should control standards to access the performance of local school districts (Penning, 1990).

LOOKING FOR A DIRECTION

For some educational theorists the question is quite simple. How can administrators be held accountable for what they do not control? As a beginning point for school deregulation, some objective measurement standards must be established to use as instruments for comparison. The South Carolina General Assembly showed either extreme wisdom or blind courage when they passed the Education Improvement Act of 1984 (Code of South Carolina, 1976).

The South Carolina General Assembly followed the example of Congress when more centralized authority was granted to the local school district. However, education, as well as other segments of government, is in now in the throes of a radical attempt to decentralized services, authority, and responsibility. The United States has several generations of experience in centralized, bureaucratic decision-making in the public sector, and a longer and more successful experience in decision-making in the free market section. However, as a society there is little experience combining the two approaches to improve education and schools. Decentralization is an alternative pattern of educational governance designed to effectively utilize the ability, energy, and intellect of citizens and professional educators, and continue to deal effectively with all personal and social education aspirations. (Kerchner & Boyd, 1988).

Finding an acceptable allocation of authority is most complex for a variety of reasons. First, the educational enterprise is complex, having strong ties to

both individual goals, and the demands to fulfill social objectives. Second, Murphy (1982) questions whether technological and sociological development has negated the relationship between centralization and modernization or whether bureaucracies have exceeded their capacity for coordination and control. Interestingly, the modern, information society is characterized by a trend toward decentralization. Nasbitt (1982, p.98) observed that "the growth of decentralization parallels the decline in industry. Agricultural and information are decentralized societies."

How does a modern society create a balance between the right to act as one chooses, not subject to undue restriction or control, and creating equity for every one in the state? Should schools have a political governance system which allows liberty, yet provides the ideal quality of being just, impartial, and fair (Nasbitt, 1982)? Nyberg (1981) articulated an idea which he described as paralleled transformation. Nyberg sites the conditions needed for paralleled transformation: people are to be treated the same by law, custom, and tradition, with equality the instrument needed to guarantee liberty.

Determining the most efficient and effective means to operate our public schools is the ultimate goal, but contributing factors also play a major role in attaining the primary goal. For example, South Carolina first achieved some minimal degree of educational equity, thereby permitting decentralization, which

can lead to genuine participation. Former Tennessee governor Lamar Alexander probably stated it most succinctly:

> The kind of change trading we're talking about will dramatically change the way most schools work. First the governor wants to help establish clear and better report cards - ways to measure what students know and can do. Then we're ready to give up a lot of state regulatory control (Alexander & Kean, 1986).

A quick review of South Carolina's Education Improvement Act of 1984 illustrates how the state went beyond the conventional role and set established, basic minimum standards: standards which had traditionally been left to the local board or the school. The state of South Carolina created the basic Defined Minimum Program prior to the EIA of 1984. However, from standards specified in the 1984 E.I.A. legislation, the state found reasonable standards to measure public schools. Thus, the first step to placing the responsibility and accountability in the hands of principals, teachers, parents, and boards of trustee was under way in South Carolina.

The General Assembly's intended purpose of the "Flexibility Through Deregulation" program was to establish a procedure to stimulate innovation and creativity in South Carolina public elementary and secondary schools. Schools were eligible for consideration in the state's Incentive Reward Program if the school demonstrated improvement for two of the three school years, 1987-1988,

1988-1989, and 1989-1990 (based upon performance based data for these years respectively).

Deregulation South Carolina Style

Developed from legislation called Target 2000, the intent of the "School Reform for the Next Decade Act" was to encourage productive and successful schools to initiate new and innovative ideas. Title 59 of the 1976 Code of Laws of South Carolina was revised by adding Section 59-18-15, which grants a school flexibility by receiving exemptions from those regulatory and statutory provisions governing the Defined Minimum Program, the Basic Skills Assessment Program, and the Remedial/Compensatory Program (Code of South Carolina, 1976).

South Carolina set basic minimum standards that measured the performance of each school as well as each child. The Educational Improvement Act of 1984 set forth a set of expected performance and attendance criteria for the student, teacher, principal, and the school and a time frame for this action to occur. The act placed certain responsibility on the teacher, principal, and the district office; a measuring inspection program was developed and carried out by the State Board of Education (Educational Improvement Act of South Carolina, 1984).

Schools who qualify for the deregulated status may receive exemption from regulatory and statutory provisions in the areas of the Defined Minimum Program, Basic Skills Assessment Program, and Remedial/Compensatory Program. The first program, Defined Minimum Program (DMP), established annually by the State Board of Education, defines the minimum educational programs designed to meet the needs of South Carolina students (Code of South Carolina, 1976--Title 59-20-20, p. 131)

Second, the school is not required to meet the regulations of the Basic Skills Assessment Program (BSAP), which established state-wide educational basic skill objectives for kindergarten through grade twelve. BSAP also established minimum standards of student achievement for readiness, and grades 1,2,3,6,8, and 11. The term "basic skills" includes mathematics and the communication skills of reading and writing. The minimum standards for readiness and grades 1,2,3,6,8, and 11 are designed to reflect the level of skill mastery, as determined by the State Board of Education, that each student is expected to attain at the various grades (Code of South Carolina ,1976--Title 59-30-10, page 261).

Meeting the requirements for a deregulated school allowed the staff exemption in dealing with a major provision of the BSAP program, that of being monitored and evaluated by the Department of Education, which eliminated on-site visits to selected schools to insure compliance with the standards and purposes

of the entire Basic Skills Assessment Program (Code of South Carolina, 1976--Title 59-30-90, p. 270).

The last program from which a school could be exempt is the Remedial/Compensatory Program. Schools granted deregulated status are exempt from those state-funded compensatory and remedial education regulations relating generally to class scheduling, class structure and staffing (South Carolina State Board of Education, 1986).

Are the schools that qualify and receive deregulatory status actually operating differently from non-deregulated schools? What might be an appropriate question is: what regulations are actually removed and for how long? A deregulated school is exempt from the requirements relating to class scheduling, class structure, and staffing. The DMP standard, which provides that a student must attend a minimum number of days each instructional period before receiving consideration for high school credit, is also exempted in deregulated schools (South Carolina State Board of Education, 1989a).

Discontinuing on-site monitoring visits to a deregulated school is another relaxation by the staff of the Accreditation Section of the State Department of Education which will extend through the 1991-1992 school year unless requested by the school principal or district superintendent. Further, principals of deregulated schools will not be required to respond to the Preliminary Analysis of Accreditation Deficiencies. However, principals of deregulated schools will be

required to provide a written assurance of compliance with the DMP standards that remain in force in such schools.

To comply with state-wide data collection which enables the State Department of Education to analyze and report staffing patterns, course enrollment trends, as well as other program information, deregulated schools are required to submit BEDS data to the state department at the beginning of the school year.

Deregulated schools are exempt from the requirement to maintain and update continuous assessment records (K-12) for each student in the areas of reading, writing, and mathematics. The requirement that all parent notification and related documentation be maintained remains in force in deregulated schools.

RESEARCH IN SOUTH CAROLINA

Ninety-two South Carolina elementary, middle, and high schools with deregulated status were surveyed to report a profile of the changes and effects deregulation has had on their school programs. Forty-eight or 52.2% responded to the survey. Principals were comfortable working in deregulated schools because of the freedom to make meaningful decisions that would affect instruction, and a freedom from trivial restrictions. Deregulation has helped schools to restructure and become more adaptive to the needs of students through increased responsibility and control at the school level. School-based

management has permitted principals to use their professional judgement to improve the school curriculum, structure, instruction, and student morale.

Principals perceive that deregulation has brought positive changes to schools: for example, flexibility in scheduling, placement of personnel, and add new programs to the curriculum, such as foreign language, computer classes, extended math and language arts programs, and additional art and music classes. A reduction in the time spent on paperwork and record-keeping has freed teachers to focus on instructional needs. However, a few principals report that deregulation has had little effect on their instructional program.

The most signification factor that motivated schools to become deregulated was the desire to improve student learning. Reduction in paper work was the second important factor. Improving teacher moral was the third most important consideration. Deregulation also allowed schools to examine site-based management as a means to increase school efficiency. Improving the school's operational economy and reactions to political considerations were considered as a motivators by four schools in the survey.

Principals were very involved in the changes made because of the deregulation process. Changes consisted of reduction of BSAP paperwork, site-based management, inclusion of intramural sports, and reassignment of personnel within the building. Flexibility within the curriculum occurred, as some principals expanded course offerings to dance, drama, Latin, geography, and

whole language. New instructional approaches are being used: writing across the curriculum, manipulative math program, cooperative learning, and peer tutoring. However, upon close examination, the changes instituted are not sustantive, only superficial. No respondents indicated changes that would indicate significant changes in the "way things are done." Rather, the respondent answers indicate a desire to maintain the status quo, because after all, that is how they achieved deregulated status.

Changes that principals desire to make as a result of deregulation are: reallocation of school day time to provide biweekly or monthly release time for teacher collaboration necessary for restructuring and for parent involvement, more site based management to increase teacher involvement in decision making.

Principals who initiated the move to deregulation of their school were motivated by flexibility in scheduling and innovative opportunities. The State Department of Education considers deregulation as a reward for schools who had been incentive grant winners.

Student morale and attendance improved in schools that initiated changes in the curriculum, such as extra PE, extra-curricular activities, less seatwork, and increased interactive and cooperative learning experiences. Schools that noted no change in student moral or attendance stated that students were not aware of the deregulation changes, and there was previously good student moral and high attendance.

The deregulated schools do not demonstrate a significant change in student achievement test scores due to deregulation. Most schools maintained excellent student achievement scores. All schools had been experiencing high student achievement on test scores for several years prior to deregulation. There was no significant decrease in student achievement test scores reported since deregulation.

The faculty was a intergral agent in acquiring deregulated status: teachers met to give suggestions and input on decisions, aided in placement of students and the overall school schedule. The faculty also formed committees to make recommendations for changes to be considered. Faculty members continued to be involved in decision-making by working on school improvement councils and Shared Governance Committees. Representative groups of team leaders, associate schools, and restructuring teams also gave input to decisions-making.

Principals found that deregulation provided the opportunity of flexible scheduling, thus allowing teachers the freedom for instructional planning time. Deregulation also means the school is free to plan and implement an educational program that will best meet the needs of its students. Deregulation means less time spent on paperwork and filling out BEDS reports and more time in creatively planning for instructional needs. Principals also perceive that deregulation brings an opportunity to experiment with new programs which is often a boost to teacher moral.

Principals expessed concern that deregulation is attached to student performance over such a short time period. They believe that five years would be a more acceptable time frame to judge deregulation status, rather than annually. Deregulation is dependent upon high test scores; consequently, if a school has one bad year its status will change, thus moderating any real change. Since the DMP regulations are lifted, class size could be affected in lean budget years by asking schools to carry a higher teacher/student ratio load than a school fulfilling DMP guidelines.

CONTINUING DEREGULATION STATUS

For a school to continue to receive flexibility of deregulation after having attained the provision of Section 59-18-15, it must annually exhibit a school gain index value at or above the state average as computed in the school incentive award program and must meet the N.C.E. gain required for the reading and mathematics compensatory program. Target 2000 states that if a school does not requalify for deregulation status and there are extenuating circumstances, it may apply to the State Board of Education to extend deregulation status for one year.

If for any reason a school is removed from deregulation status, the school is exempted from regulations and statutory provisions until the beginning of the school year following notification of the status change by the State Department of Education (South Carolina State Board of Education, 1989b). The question often

becomes: when does a school which has lost deregulation status begin to be monitored by the State Department of Education? It is clear that a school which has been deregulated is not to be responsible for review records for the period that the school has received deregulation status or for the year during which the school was notified of its removal from deregulation status. The regulations are very clear as to how a school obtains and maintains deregulation status.

The question of whether a school can be removed from state inspection is yet to answered. Schools must be concerned with how far they may deviate from the basic standards, because three years from now they may need to be accountable again for the very same programs.

CONCLUSTIONS

The General Assembly of South Carolina passed legislation to "Encourage Productive and Successful Schools to Initiate New and Innovate Idea," better known as an attempt to deregulation schools. Although there is no financial incentive to address new ideas, the legislation allows deregulated schools some freedom to address student needs.

A survey of principals in deregulated schools, although a small sample, indicates that schools with deregulation status are not the creative, innovative schools that were envisioned with the passage of the Target 2000 legislation. Rather than being innovative the schools are largely traditional, apparently

choosing to continue the policies and programs that helped them become deregulated. In most obvious implication is that policy-makers should reexamine the incentive system provided to deregulated schools.

TABLE I

RESPONDENTS IN SOUTH CAROLINA DEREGULATED SCHOOLS

	Yes	No	DK
Comfortable	37	4	
Good process	36	1	
Changes	32	7	
Involved	33	3	
Student morale	8	9	5
Increased attendance	2	2	23
Increased test scores	7	13	
Faculty involvement	17	1	
Future change in future	22	0	

TABLE II

MOTIVATION FOR CHANGES

	N
Improve student learning	27
Reduce paperwork	20
Improve teacher morale	23
Increase school efficiency	13
Improve operational economy	1
Political considerations	4
Restructuring	15
Other	2

TABLE III

WHO INITIATED DEREGULATION?

	N
Principal	30
Faculty	5
Central Office	10
Other	8

BIBLIOGRAPHY

Alexander, L. & Kean, T. H. (1986). **Time for results: The governors 1991 report on education**. Washington, D.C.: National Governors Association Center for Policy Research and Analysis.

Code of Laws of South Carolina (1976a). Title 59, Chapter 18.

Code of Laws of South Carolina (1976b). Educational Improvement Act. Section 59-5-65, Subpart 3, 14.

Code of Laws of South Carolina (1976c). Section 59-20-20, p. 131.

Code of Laws of South Carolina (1976d). Section 59-30-10, p. 261.

Code of Laws of South Carolina (1976e). Section 59-30-90, p. 270.

Flanigan, J. L., Richardson, M. D., Cline, H. D. & Schrader, R. G. (1989). **Survey of chief state school officers**. Unpublished manuscript, Western Kentucky University, Bowling Green.

Kerclner, C. T. & Boyd, W. I. (1988). *What doesn't work: An analysis of market and bureaucratic failure in schools.* In W. T. Boyd & C. T. Kerclner (Eds.). **The politics of excellence and choice in education**. (pp. 99-115). New York: Falmer

Murphy, J. T. (1982). *Progress and problems: The paradox of state reform.* In A. Lieberman & M. McLaughlin (Eds.). **Policy making education: Eighty-first yearbook of the National Society for the Study of Education**. (pp.195-214). Chicago: University of Chicago Press.

Nasbitt, J. (1982). **Megatrends**. New York: Warner Books.

Nyberg, D. (1981). *Thank God for Babel: Analysis, articulation, antimony.* **Educational Theory**, 31(1), 1-9.

Odden, A. (1985). *Education finance 1985: A rising tide or steady fiscal state?* **Educational Evaluation and Policy Analysis**, 7(4), 395-407.

Penning, N. (1990). *The report card of the educational president.* **The School Administrator**, 47(2), 28.

South Carolina State Board of Education (1986). Regulation #R43-267, p. 2.

South Carolina State Board of Education (1989). Flexibility through deregulation program guidelines, p. 9.

Strong, T. (1989, June 21). *Campbell signs education reform bill.* **Anderson Independent Mail**, 3a.

Swanson, A. D. (1989). *Restructuring education governance: A challenge of the 1990s.* **Educational Administration Quarterly**, 25(3), 277.